

**— EXHIBIT 2 —**

**Matthew Pits**  
**December 8, 2017**

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UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF CALIFORNIA  
OAKLAND DIVISION

Civil Action No. 4:15-cv-06314-YGR

\*\*\*\*\*  
ABANTE ROOTER AND PLUMBING, INC., \*  
MARK HANKINS, and PHILIP J. CHARVAT, \*  
individually and on behalf of all \*  
others similarly situated, \*

Plaintiffs \*

v. \*

ALARM.COM INCORPORATED, and \*  
ALARM.COM HOLDINGS, INC., \*

Defendants \*

\*\*\*\*\*

DEPOSITION OF: MATTHEW PITS  
CATUOGNO COURT REPORTING SERVICES, INC.

155 South Main Street, Suite 201

Providence, Rhode Island

December 8, 2017

9:05 a.m.

Ellen M. Muir

Court Reporter

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1 (Exhibit 7)

2 Q. Now, I've got some records that I can  
3 represent to you that were produced by -- the VMS and  
4 Alliance are, in essence, the same company; it's just  
5 a name change?

6 A. Correct.

7 Q. So I can represent that these records  
8 came from a case brought by Diana Mey at the Northern  
9 District for West Virginia against VMS and Alliance  
10 and other defendants. And I just want to ask you if  
11 you know what these are, because we really don't know  
12 ourselves. So I'm opening underneath a folder dated  
13 November 5, 2014 VMS, open paren, from Moni, close  
14 paren. And opening the first document, which is ASX  
15 and a series of zeros, one confidential. I'm going  
16 to open that and see if you can tell me what that  
17 looks like to you.

18 A. It looks like a call record, but I  
19 couldn't identify what system that came from.

20 Q. Do you know what -- does ASX suggest  
21 anything to you?

22 A. I don't know, no.

23 Q. And do you know where Alliance obtained  
24 this document from in order to produce it in the

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(Break was taken at 11:52 a.m.)

Q. Mr. Pits, in the Mey litigation in the Northern District of West Virginia, Alliance made a supplemental production on June 30, 2017. Were you involved in that supplemental production?

A. I believe so. I don't recall that specifically, but I believe I was.

Q. And do you know why that supplemental production was made?

A. I don't know. We had outside counsel that was managing that litigation, John Tier. But I think that it was to make the call records current, because the previous production had been a number of years before in that case.

Q. In that case. And were those records -- had those records been produced in response to the Alarm.Com subpoena in this case?

A. Which records specifically?

Q. The ones that you were supplementing in the Mey case in West Virginia, were those included in the production in response to the subpoena in this case?

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1 offers a particular variety of services, and it uses  
2 Alarm.Com integration in certain instances. And if  
3 Alliance had sold a particular product that needs or  
4 requires that back-end software integration and it  
5 uses Alarm.Com, then, yes, it will have the customer  
6 sign an Alarm.Com agreement.

7 Q. So if someone is signing up for Alarm.Com  
8 services on an installation done by Alliance, the  
9 only way that they can get it is if they sign an  
10 Alarm.Com agreement, correct?

11 MR. SCHLESSINGER: Same objection.

12 A. Yes. If it's facilitated through  
13 Alarm.Com. But, again, Alliance is in the practice  
14 of selling its own products and services; and so if  
15 it's a particular service that requires Alarm.Com or  
16 Alarm.Com can enable, you know, an integration, then,  
17 yes, Alliance will have the customer sign an  
18 Alarm.Com agreement?

19 Q. Under the Alarm.Com CLS program, are you  
20 aware of whether Alarm.Com has the right to audit  
21 Alarm.Com calls to CLS leads?

22 A. I don't recall having seen their  
23 capability to audit mapped out or anything like that.

24 Q. Has Alarm.Com ever audited Alliance?

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1 A. Not to my knowledge, no.

2 Q. Has Alarm.Com ever asserted a claim for  
3 indemnification against Alliance for this lawsuit?

4 A. No, it has not.

5 MR. BRODERICK: I think I have no further  
6 questions. Thank you.

7 MR. SCHLESSINGER: Can I take five  
8 minutes?

9  
10 (Five-minute break was taken at 12:14.)

11  
12 (Back on at 12:18 p.m.)

13  
14 EXAMINATION BY MR. SCHLESSINGER:

15 Q. Mr. Pits, my name is Dan Schlessinger.  
16 We met briefly earlier. I represent Alarm.Com, and I  
17 just want to clarify a few things here. The security  
18 systems that Alliance sells includes multiple  
19 components typically, right?

20 A. Yes, that's right.

21 Q. And can you list some of the components  
22 that are included?

23 A. Well, I mean, each alarm system will have  
24 a control panel that goes on the wall. There will be

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1 door/window contacts, glass/break enters, fire  
2 alarms, motion detectors. And there's other  
3 components that would actually necessitate like an  
4 Alarm.Com service, like thermostats that communicate  
5 with the system and automatic door locks, things like  
6 that.

7 **Q. So what portion of the system that**  
8 **Alliance sells are made by Alarm.Com?**

9 A. Well, none of the hardware is made by a  
10 Alarm.Com at all.

11 **Q. So what Alarm.Com provides is software**  
12 **that allows the system to work, correct?**

13 A. Yeah, it's a back-end integration. So  
14 Alarm.Com doesn't monitor so it's not a monitoring  
15 station. Alarm.Com wouldn't be a useful -- really be  
16 no need for it -- but it integrates Alliance with the  
17 monitoring station and the consumers alarm panel.

18 **Q. Is Alarm.Com the only provider of the**  
19 **software that allows that integration that Alliance**  
20 **sells?**

21 A. No, currently Alliances is selling other  
22 systems that have another provider as well, or at  
23 least as we've transitioned away from Monitronics.  
24 Monitronics required the use of Alarm.Com, and

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1 Alliance continues to work with Alarm.Com but has  
2 other providers as well.

3 Q. Does Alarm.Com provide Alliance with  
4 marketing policies that Alliance uses?

5 A. No.

6 Q. Those policies are drafted by you,  
7 correct?

8 A. Yeah. Or our sales team, and approved by  
9 certain individuals in the company, including me.

10 Q. Does Alarm.Com authorize Alliance when  
11 it's making calls to say that it's calling on behalf  
12 of Alarm.Com?

13 A. No, Alliance has never had that built  
14 into the their scripting or anything like that.

15 Q. So Alliance does not do that?

16 A. No.

17 Q. Does Alarm.Com provide any scripts to  
18 Alliance to use in its marketing?

19 A. Not that I have ever seen, no.

20 Q. Does Alarm.Com set quoters for Alliance?

21 A. No, not to my knowledge.

22 Q. And does Alarm.Com provide the phones or  
23 dialling systems that are used by Alarm.Com?

24 A. By Alliance?



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1 I, ELLEN M. MUIR, a Commissioner of the State  
2 of Rhode Island, do hereby certify that MATTHEW PITS  
3 came before me on the 8th day of December, 2017, at  
4 CATUOGNO COURT REPORTING SERVICES, INC., 155 South  
5 Main Street, Suite 201, Providence, Rhode Island, and  
6 was by me duly sworn to testify to the truth and  
7 nothing but the truth as to his knowledge touching  
8 and concerning the matters in controversy in this  
9 cause; that he was thereupon examined upon his oath  
10 and said examination reduced to writing by me; and  
11 that the statement is a true record of the testimony  
12 given by the witness, to the best of my knowledge and  
13 ability.

14 I further certify that I am not a relative or  
15 employee of counsel/attorney for any of the parties,  
16 nor a relative or employee of such parties, nor am I  
17 financially interested in the outcome of the action.

18 WITNESS MY HAND this 18th day of December,  
19 2017.

20  
21  
22 Ellen M. Muir  
23 Commissioner of the  
24 State of Rhode Island

  
My Commission expires:  
November 30, 2021

